

SCHWARTZER & MCPHERSON LAW FIRM
 2850 South Jones Boulevard, Suite 1
 Las Vegas, Nevada 89146-5308
 Tel: (702) 228-7590 • Fax: (702) 892-0122

1 Annette W. Jarvis, Utah Bar No. 1649
 2 RAY QUINNEY & NEBEKER P.C.
 3 36 South State Street, Suite 1400
 P.O. Box 45385
 4 Salt Lake City, Utah 84145-0385
 Telephone: (801) 532-1500
 Facsimile: (801) 532-7543
 Email: ajarvis@rqn.com

E-FILED ON AUGUST 24, 2006

6 and

7 Lenard E. Schwartzer
 Nevada Bar No. 0399
 8 Jeanette E. McPherson
 Nevada Bar No. 5423
 9 Schwartzer & McPherson Law Firm
 2850 South Jones Boulevard, Suite 1
 10 Las Vegas, Nevada 89146-5308
 Telephone: (702) 228-7590
 Facsimile: (702) 892-0122
 12 E-Mail: bkfilings@s-mlaw.com
 Attorneys for Debtors

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

15 In re:
 16 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case Nos. BK-S-06-10725 LBR
 Case Nos. BK-S-06-10726 LBR
 Case Nos. BK-S-06-10727 LBR
 Case Nos. BK-S-06-10728 LBR
 Case Nos. BK-S-06-10729 LBR

17 In re:
 18 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

19 In re:
 20 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
 Debtor.

**SUPPLEMENTAL DECLARATION IN
SUPPORT OF APPLICATION BY DEBTOR
AND DEBTOR-IN-POSSESSION FOR
AUTHORIZATION TO RETAIN AND
EMPLOY SCHWARTZER & MCPHERSON
LAW FIRM AS COUNSEL UNDER
GENERAL RETAINER**

21 In re:
 22 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

23 In re:
 24 USA SECURITIES, LLC,
 Debtor.

Affects:

- All Debtors
- USA Commercial Mortgage Company
- USA Securities, LLC
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed Fund, LLC
- USA First Trust Deed Fund, LLC

Date: n/a
Time: n/a

1 I, Jeanette E. McPherson hereby declare and state as follows:

2 1. I am an attorney licensed to practice law in the State of Nevada, and I am the
 3 managing partner of the Schwartzer & McPherson Law Firm. I have personal knowledge of the
 4 facts recited herein, and I am competent to testify regarding them if called as a witness in this
 5 matter.

6 2. I make this declaration and disclosure in support of the Application By Debtor and
 7 Debtor-In-Possession To Retain And Employ Schwartzer & McPherson Law Firm As Counsel
 8 Under General Retainer (the "Application").

9 3. Schwartzer & McPherson Law Firm ("S&M" or the "Firm") has been retained to
 10 represent USA Commercial Mortgage Company ("USACM"), USA Securities, LLC, USA Capital
 11 Realty Advisors, LLC, USA Capital Diversified Trust Deed Fund, LLC, and USA Capital First
 12 Trust Deed Fund, LLC ("FTD Fund") (collectively, the "Debtors").

13 4. With respect to S&M's involvement with, or representation of, the debtors and/or
 14 creditors in this bankruptcy case, S&M states the following:

15 a. On August 10, 2006, S&M filed a Motion to Reject Personal Property
 16 Leases (See Docket No. 1131) in which IKON was listed as a lease that USA proposes to reject.

17 b. We have recently discovered that IKON Financial is a lessor for S&M.

18 c. S&M and co-counsel Ray Quinney & Nebeker, P.C. ("RQN") have agreed
 19 that any matter arising with respect to IKON that may pose a potential conflict of interest for S&M
 20 will be handled solely by RQN.

21 5. Based upon the foregoing, it is my belief that the Firm does not represent any
 22 interest which would be adverse to it or the bankruptcy estate. Accordingly, S&M is disinterested
 23 under sections 101(14) and 327(a) and (c) of the Bankruptcy Code.

24 6. To the best of my knowledge, I declare under penalty of perjury that the foregoing
 25 is true and correct.

26 DATED: August 23, 2006

27 /s/ JEANETTE E. MCPHERSON
 28 Jeanette E. McPherson